

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1723 be amended to read as follows:

- 1 Page 1, delete lines 1 through 16.
- 2 Delete pages 2 through 9.
- 3 Page 10, delete lines 1 through 27, begin a new line blocked left and
- 4 insert:

1 **"SECTION 1. [EFFECTIVE JULY 1, 2009]**

2

3 **(a) The following definitions apply throughout this act:**

4 **(1) "Augmentation allowed" means the governor and the budget agency are**
5 **authorized to add to an appropriation in this act from revenues accruing to the**
6 **fund from which the appropriation was made.**

7 **(2) "Biennium" means the period beginning July 1, 2009, and ending June 30, 2011.**
8 **Appropriations appearing in the biennial column for construction or other permanent**
9 **improvements do not revert under IC 4-13-2-19 and may be allotted.**

10 **(3) "Other operating expense" includes payments for "services other than personal",**
11 **"services by contract", "supplies, materials, and parts", "grants, subsidies, refunds,**
12 **and awards", "in-state travel", "out-of-state travel", and "equipment".**

13 **(4) "Personal services" includes payments for salaries and wages to officers and**
14 **employees of the state (either regular or temporary), payments for compensation**
15 **awards, and the employer's share of Social Security, health insurance, life insurance,**
16 **dental insurance, vision insurance, deferred compensation - state match, leave**
17 **conversion, disability, and retirement fund contributions.**

18 **(5) "Total operating expense" includes payments for both "personal services" and**
19 **"other operating expense".**

SECTION 2. [EFFECTIVE JULY 1, 2009]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the sums in this SECTION are appropriated for education for the period designated from the state general fund of the state of Indiana or other specifically designated funds.

In this SECTION, whenever there is no specific fund or account designated, the appropriation is from the state general fund.

EDUCATION

A. ELEMENTARY AND SECONDARY EDUCATION

FOR THE DEPARTMENT OF EDUCATION

STATE BOARD OF EDUCATION

Total Operating Expense	50,000	50,000
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The foregoing appropriations for the Indiana state board of education are for state board administrative expenses.

SUPERINTENDENT'S OFFICE

Personal Services	1,201,402	1,201,402
Other Operating Expense	1,473,322	1,473,322

RESEARCH AND DEVELOPMENT PROGRAMS

Personal Services	86,959	86,959
Other Operating Expense	300,390	300,390

Of the foregoing appropriations for Research and Development Programs, up to \$140,000 in each fiscal year is dedicated for the Center for Evaluation and Education Policy.

RILEY HOSPITAL

Total Operating Expense	27,900	27,900
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BEST BUDDIES

Total Operating Expense	250,000	250,000
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ADMINISTRATION AND FINANCIAL MANAGEMENT

Personal Services	2,144,538	2,144,538
Other Operating Expense	420,270	420,270

MOTORCYCLE OPERATOR SAFETY EDUCATION FUND

Safety Education Fund (IC 20-30-13-11)

Personal Services	132,397	132,397
Other Operating Expense	892,177	892,177

The foregoing appropriations for the motorcycle operator safety education fund are from the motorcycle operator safety education fund created by IC 20-30-13-11.

SCHOOL TRAFFIC SAFETY

1	Motor Vehicle Highway Account (IC 8-14-1)		
2	Personal Services	242,989	242,989
3	Other Operating Expense	30,405	30,405
4	Augmentation allowed.		
5	EDUCATION LICENSE PLATE FEES		
6	Education License Plate Fees Fund (IC 9-18-31)		
7	Total Operating Expense	141,200	141,200
8	CENTER FOR SCHOOL ASSESSMENT		
9	Personal Services	311,004	311,004
10	Other Operating Expense	706,025	706,025
11	ACCREDITATION SYSTEM		
12	Personal Services	471,732	471,732
13	Other Operating Expense	489,547	489,547
14	SPECIAL EDUCATION (S-5)		
15	Total Operating Expense	24,750,000	24,750,000

16

17 The foregoing appropriations for special education are made under IC 20-35-6-2.

18

19 **CENTER FOR COMMUNITY RELATIONS AND SPECIAL POPULATIONS**

20	Personal Services	234,580	234,580
21	Other Operating Expense	78,988	78,988

22 **SPECIAL EDUCATION EXCISE**

23	Alcoholic Beverage Excise Tax Funds (IC 20-35-4-4)		
24	Personal Services	344,351	344,351

25 Augmentation allowed.

26 **CAREER AND TECHNICAL EDUCATION**

27	Personal Services	1,319,338	1,319,338
28	Other Operating Expense	40,532	40,532

29 **ADVANCED PLACEMENT PROGRAM**

30	Other Operating Expense	953,284	953,284
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31

32 The above appropriations for the Advanced Placement Program are to provide funding

33 for students of accredited public and nonpublic schools.

34

35 **PSAT PROGRAM**

36	Other Operating Expense	717,449	717,449
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37

38 The above appropriations for the PSAT program are to provide funding for students

39 of accredited public and nonpublic schools.

40

41 **CENTER FOR SCHOOL IMPROVEMENT AND PERFORMANCE**

42	Personal Services	1,701,447	1,701,447
43	Other Operating Expense	978,089	978,089

44 **PRINCIPAL LEADERSHIP ACADEMY**

45	Personal Services	320,632	320,632
46	Other Operating Expense	142,204	142,204

47 **EDUCATION SERVICE CENTERS**

48	Total Operating Expense	2,321,287	2,321,287
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No appropriations made for an education service center shall be distributed to the administering school corporation of the center unless each participating school corporation of the center contracts to pay to the center at least three dollars (\$3) per student for fiscal year 2009-2010 and at least three dollars (\$3) per student for fiscal year 2010-2011 based on the school corporation's ADM count as reported for school aid distribution in the fall of 2008. Before notification of education service centers of the formula and components of the formula for distributing funds for education service centers, review and approval of the formula and components must be made by the budget agency.

TRANSFER TUITION (STATE EMPLOYEES' CHILDREN AND ELIGIBLE CHILDREN IN MENTAL HEALTH FACILITIES)

Total Operating Expense	50,000	50,000
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The foregoing appropriations for transfer tuition (state employees' children and eligible children in mental health facilities) are made under IC 20-26-11-8 and IC 20-26-11-10.

TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION

Total Operating Expense	2,403,792	2,403,792
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The foregoing appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area career and technical education schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teacher's retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriations, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

General Fund

Total Operating Expense	6,385,450,000	6,490,850,000
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State Tuition Reserve Fund (IC 4-12-1-15.7)

Total Operating Expense	100,000,000	100,000,000
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The foregoing appropriations for distribution for tuition support are to be distributed for tuition support, special education programs, career and technical education programs, honors grants, and the primetime program in accordance with a statute enacted for this purpose during the 2009 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, any excess shall revert to the general fund.

The above appropriations for distribution for tuition support shall be made each calendar year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1)

payment shall be made at least every forty (40) days, and that the aggregate of the payments in each calendar year must equal the amount required under the statute enacted for the purpose referred to above.

Virtual charter school" means any entity that provides for the delivery of more than fifty percent (50%) of instruction to students through virtual distance learning, online technologies, or computer based instruction. A virtual charter school is not entitled to any funding from the state of Indiana during the biennium and is not entitled to a distribution of property taxes. This paragraph expires June 30, 2011.

NEW FACILITY ADJUSTMENT DISTRIBUTIONS (IC 20-43-11.5)

Other Operating Expense	10,000,000	10,000,000
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DISTRIBUTION FOR SUMMER SCHOOL

Other Operating Expense	18,360,000	18,360,000
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It is the intent of the 2009 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

EARLY INTERVENTION PROGRAM AND READING DIAGNOSTIC ASSESSMENT

Total Operating Expense	4,720,000	4,720,000
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The above appropriations for the early intervention program may be used for grants to local school corporations for grant proposals for early intervention programs, including reading recovery and the Waterford method.

The foregoing appropriations may be used by the department for the reading diagnostic assessment and subsequent remedial programs or activities. The reading diagnostic assessment program, as approved by the board, is to be made available on a voluntary basis to all Indiana public and nonpublic school first and second grade students upon the approval of the governing body of school corporations. The board shall determine how the funds will be distributed for the assessment and related remediation. The department or its representative shall provide progress reports on the assessment as requested by the board and the education roundtable.

ADULT EDUCATION DISTRIBUTION

Total Operating Expense	14,000,000	14,000,000
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It is the intent of the 2009 general assembly that the above appropriations for adult education are the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of education shall reduce the distributions proportionately.

NATIONAL SCHOOL LUNCH PROGRAM

Total Operating Expense	5,400,000	5,400,000
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MARION COUNTY DESEGREGATION COURT ORDER

1	Total Operating Expense	18,200,000	18,200,000
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3 The foregoing appropriations for court ordered desegregation costs are made pursuant
 4 to order No. IP 68-C-225-S of the United States District Court for the Southern District
 5 of Indiana. If the sums herein appropriated are insufficient to enable the state
 6 to meet its obligations, then there are hereby appropriated from the state general
 7 fund such further sums as may be necessary for such purpose.

8

9 **TEXTBOOK REIMBURSEMENT**

10	Total Operating Expense	45,000,000	45,000,000
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12 Before a school corporation or an accredited nonpublic school may receive a distribution
 13 under the textbook reimbursement program, the school corporation or accredited nonpublic
 14 school shall provide to the department the requirements established in IC 20-33-5-2.
 15 The department shall provide to the family and social services administration (FSSA)
 16 all data required for FSSA to meet the data collection reporting requirement in 45
 17 CFR 265. Family and social services administration, division of family resources,
 18 shall apply all qualifying expenditures for the textbook reimbursement program toward
 19 Indiana's maintenance of effort under the federal Temporary Assistance to Needy Families
 20 (TANF) program (45 CFR 260 et seq.).

21

22 The foregoing appropriations for textbook reimbursement include the appropriation of the
 23 common school fund interest balance. The remainder of the above appropriations are
 24 provided from the state general fund.

25

26 **FULL-DAY KINDERGARTEN**

27	Total Operating Expense	86,500,000	86,500,000
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29 The above appropriations for full day kindergarten are available to school corporations
 30 and charter schools that apply to the department of education for funding of full day
 31 kindergarten. The amount available to a school corporation or charter school equals
 32 the amount appropriated divided by the total number of eligible pupils (as defined
 33 in IC 20-43-1-11) enrolled in full day kindergarten in all participating school corporations
 34 and charter schools in the current year, and then multiplied by the total number
 35 of eligible pupils (as defined in IC 20-43-1-11) enrolled in full day kindergarten
 36 in the school corporation or charter school in the current year, as determined on
 37 the initial count. However, a school corporation or charter school may not receive
 38 more than \$1,132 dollars per student for full day kindergarten. A school corporation
 39 or charter school that is awarded a grant must provide to the department of education
 40 a financial report stating how the funds were spent. Any unspent funds at the end
 41 of the biennium must be returned to the state by the school corporation or charter
 42 school.

43

44 To provide full day kindergarten programs, a school corporation or charter school
 45 that determines there is inadequate space to offer a program in the school corporation's
 46 or charter school's existing facilities may offer the program in any suitable space
 47 located within the geographic boundaries of the school corporation or, in the case
 48 of a charter school, a location that is in the general vicinity of the charter school's
 49 existing facilities. A full day kindergarten program offered by a school corporation

or charter school must meet the academic standards and other requirements of IC 20.

A school corporation or charter school that receives a grant must meet the academic standards and other requirements of IC 20.

In awarding grants from the above appropriations, the department of education may not refuse to make a grant to a school corporation or reduce the award that would otherwise be made to the school corporation because the school corporation used federal grants or loans, including Title I grants, to fund part or all of the school corporation's full day kindergarten program in a school year before the school year in which the grant will be given or because the school corporation intends to use federal grants or loans, including Title I grants, to fund part of the school corporation's full day kindergarten program in a school year in which the grant will be given.

The state board and department shall provide support to school corporations and charter schools in the development and implementation of child centered and learning focused programs using the following methods:

(1) Targeting professional development funds to provide teachers in kindergarten through grade 3 education in:

(A) scientifically proven methods of teaching reading;

(B) the use of data to guide instruction; and

(C) the use of age appropriate literacy and mathematics assessments.

(2) Making uniform, predictively valid, observational assessments that:

(A) provide frequent information concerning the student's progress to the student's teacher; and

(B) measure the student's progress in literacy;

available to teachers in kindergarten through grade 3. Teachers shall monitor students participating in a program, and the school corporation or charter school shall report the results of the assessments to the parents of a child completing an assessment and to the department.

(3) Undertaking a longitudinal study of students in programs in Indiana to determine the achievement levels of the students in kindergarten and later grades.

REMEDIATION

Other Operating Expense	41,000,000	41,000,000
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Prior to notification of local school corporations of the formula and components of the formula for distributing funds for remediation, review and approval of the formula and components shall be made by the budget agency.

The above appropriations for remediation shall be used by school corporations to provide remediation programs for students who attend public and nonpublic schools. For purposes of tuition support, these students are not to be counted in the average daily membership.

GRADUATION EXAM REMEDIATION

Other Operating Expense	4,958,910	4,958,910
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Prior to notification of local school corporations of the formula and components

of the formula for distributing funds for graduation exam remediation, review and approval of the formula and components shall be made by the budget agency.

SPECIAL EDUCATION PRESCHOOL

Total Operating Expense	38,400,000	38,400,000
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The above appropriations for Special Education Preschool shall be distributed to guarantee a minimum of \$2,750 per child enrolled in special education preschool programs from state sources for this purpose. It is the intent of the 2009 general assembly that the above appropriation for Special Education Preschool is the total allowable expenditure for the program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

HEARING AID FUND (IC 20-20-37)

Other Operating Expense	6,000,000	6,000,000
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Before August 1, 2009, the budget agency shall transfer six million dollars (\$6,000,000) from the state general fund to the hearing aid fund (IC 20-20-37) for the purposes of the hearing aid fund.

Before August 1, 2010, the budget agency shall transfer six million dollars (\$6,000,000) from the state general fund to the hearing aid fund (IC 20-20-37) for the purposes of the hearing aid fund.

NON-ENGLISH SPEAKING PROGRAM

Other Operating Expense	8,000,000	8,000,000
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The above appropriations for the Non-English Speaking Program are for pupils who have a primary language other than English and limited English proficiency, as determined by using a standard proficiency examination that has been approved by the department of education.

The grant amount is two hundred dollars (\$200) per pupil. It is the intent of the 2009 general assembly that the above appropriation for the Non-English Speaking Program is the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state fiscal year, the department of education shall reduce each school corporation's distribution proportionately.

GIFTED AND TALENTED EDUCATION PROGRAM

Personal Services	211,348	211,348
Other Operating Expense	12,788,801	12,788,801

DISTRIBUTION FOR ADULT VOCATIONAL EDUCATION

Total Operating Expense	250,000	250,000
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The distributions for adult career and technical education programs shall be made in accordance with the state plan for vocational education.

PRIMETIME

Personal Services	172,566	172,566
Other Operating Expense	34,467	34,467

DRUG FREE SCHOOLS

Personal Services	52,361	52,361
Other Operating Expense	20,093	20,093

PROFESSIONAL DEVELOPMENT DISTRIBUTION

Other Operating Expense	13,812,500	13,812,500
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The foregoing appropriations for professional development distributions include schools defined under IC 20-31-2-8.

ALTERNATIVE SCHOOLS

Total Operating Expense	6,380,319	6,380,319
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**EDUCATIONAL TECHNOLOGY PROGRAM AND FUND
(INCLUDING 4R'S TECHNOLOGY GRANT PROGRAM)**

Total Operating Expense	2,109,036	2,109,036
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Of the foregoing appropriations for Educational Technology Program and Fund, \$825,000 shall be allocated to the buddy system in each state fiscal year of the biennium. The remaining amounts shall be allocated for technology programs and resources for kindergarten through twelfth grade, and the operation of the office of the special assistant to the superintendent of public instruction for technology.

TECHNOLOGY PLAN GRANT PROGRAM (IC 20-20-13)

Total Operating Expense	2,500,000	2,500,000
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Notwithstanding IC 20-20-13-17, the department of education may adjust the grant amount to reflect available funding.

PROFESSIONAL STANDARDS DIVISION

General Fund

Personal Services	1,054,199	1,054,199
Other Operating Expense	1,762,303	1,762,303

Professional Standards Board Licensing Fund

Total Operating Expense	1,500,000	1,500,000
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Augmentation allowed.

The above appropriations for the Professional Standards Division do not include funds to pay stipends for mentor teachers.

SCHOOL BUSINESS OFFICIALS ACADEMY

Total Operating Expense	150,000	150,000
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The department shall make the foregoing appropriations for School Business Officials Academy available to the Indiana Association of School Business Officials to assist in the creation of an academy designed to strengthen the management and leadership

skills of practicing Indiana school business officials.

LEVY REPLACEMENT GRANT (IC 20-20-36.2)

Other Operating Expense	81,000,000	60,000,000
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B. INTERNET BACKBONE

FOR THE INDIANA HIGHER EDUCATION TELECOMMUNICATIONS SYSTEM (IHETS)

Total Operating Expense	5,000,000	5,000,000
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The sums herein appropriated to the Indiana Higher Education Telecommunications System (IHETS) are in addition to all income of IHETS from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 2009, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the directors of IHETS and may be expended for any necessary expenses of IHETS. However, such income, fees, earnings, and receipts may be used for land and structures only if approved by the governor and the budget agency.

The foregoing appropriations to IHETS include the employers' share of Social Security payments for IHETS employees under the public employees' retirement fund, or the Indiana state teachers' retirement fund. The funds appropriated also include funding for the employers' share of payments to the public employees' retirement fund and to the Indiana state teachers' retirement fund at a rate to be established by the retirement funds for both fiscal years for IHETS employees covered by these retirement plans.

The directors of IHETS are hereby authorized to accept federal grants, subject to IC 4-12-1. "

1 Page 13, line 6, delete "year 2010." and insert "**years 2010 and**
2 **2011.**".

3 Page 13, line 16, delete "2011." and insert "**2012.**".

4 Page 13, line 39, delete "and".

5 Page 13, line 41, delete "2010." and insert "**2010; and**
6 **(3) six billion six hundred fifty-one million five hundred**
7 **thousand dollars (\$6,651,500,000) in 2011.**".

8 Page 14, line 5, reset in roman "sum of the following:".

9 Page 14, line 6, reset in roman "(A) The".

10 Page 14, line 7, reset in roman "(B)".

11 Page 14, line 8, after, "2007." insert "**The school corporation's new**
12 **facility appeal grant for the immediately preceding calendar year**
13 **(if any).**".

14 Page 15, line 22, delete "and".

15 Page 15, line 25, delete "(\$4,608)." and insert "**(\$4,608); and**".

16 Page 15, between line 25 and 26, begin a new line double block
17 indented and insert:
18 **"(C) in 2011:**
19 **(i) two thousand two hundred ninety-two dollars**
20 **(\$2,292); divided by**
21 **(ii) four thousand six hundred eight dollars (\$4,608).**".

22 Page 15, line 44, delete "and".

23 Page 15, line 45, delete "(\$4,608)." and insert "**(\$4,608); and**".

24 Page 15, between line 45 and 46, begin a new line double block
25 indented and insert:
26 **"(C) in 2011, four thousand six hundred eight dollars**
27 **(\$4,608).**".

28 Page 16, line 8, delete "and".

29 Page 16, line 9, delete "2010." and insert "**2010; and**
30 **(C) one (1) in 2011.**".

31 Page 17, line 9, delete "year 2009 and calendar year 2010;" and
32 insert "**year years 2009, 2010, and 2011;**".

33 Page 17, line 17, delete "year 2009 and calendar year 2010;" and
34 insert "**year years 2009, 2010, and 2011;**".

35 Page 18, line 25, delete "and".

36 Page 18, line 26, delete "(\$8,350)." and insert "**(\$8,350); and**
37 **(C) in 2011, eight thousand three hundred fifty dollars**
38 **(\$8,350).**".

39 Page 18, line 30, delete "and".

40 Page 18, line 31, delete "(\$2,265)." and insert "**(\$2,265); and**
41 **(C) in 2011, two thousand two hundred sixty-five dollars**
42 **(\$2,265).**".

43 Page 18, line 25, delete "and".

44 Page 18, line 35, delete "(\$533)." and insert "**(\$533); and**
45 **(C) in 2011, five hundred thirty-three dollars (\$533).**".

46 Page 18, line 38, delete "and".

47 Page 18, line 39, delete "(\$533)." and insert "**(\$533); and**
48 **(C) in 2011, five hundred thirty-three dollars (\$533).**".

49 Page 18, line 45, delete "and".

50 Page 18, line 46, delete "(\$74,500)." and insert "**(\$74,500); and**
51 **(C) in 2011, is seventy-four thousand five hundred dollars**
52 **(\$74,500).**".

- 1** Renumber all SECTIONS consecutively.
 (Reference is to HB 1723 as printed February 3, 2009.)

Representative Thompson